SUBCOMMITTEE #3:
Health & Human Services

Chair, Senator Mark DeSaulnier

Senator Elaine K. Alquist
Senator Bill Emmerson

May 10, 2012

9:30 a.m. *or*
Upon Adjournment of Session

Room 4203
(John L. Burton Hearing Room)

Staff: Jennifer Troia &
Brady Van Engelen

PLEASE NOTE:

Only those items contained in this agenda will be discussed at this hearing. *Please* see the Senate File for dates and times of subsequent hearings. Issues will be discussed in the order noted in the Agenda unless otherwise directed by the Chair.

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Agenda
(Vote-Only Items indicated by *)

VOTE-ONLY AGENDA

5160 Department of Rehabilitation (DOR)

1. Rehabilitation Appeals Board

Budget Issue: The Governor proposes to achieve savings and efficiencies from eliminating the Rehabilitation Appeals Board (RAB), which currently reviews appeals filed by applicants for, or consumers of, DOR services. The associated responsibilities would be transferred to impartial hearing officers (IHOs) through an interagency contract with the Office of State Hearings or another state entity. The Administration estimates that contracting with IHOs will save around $30,000 ($6,000 GF). Additional background is available in the Subcommittee's agenda from March 15th (online at http://sbud.senate.ca.gov/sites/sbud.senate.ca.gov/files/SUB3/31512AgendaforCDA_DOR_DSS.pdf).

Staff Comment & Recommendation: Staff recommends approving the Administration's proposal to change the appeals process so that impartial hearing officers review appeals, rather than the Rehabilitation Appeals Board. Correspondingly, staff also recommends approving modifications to the proposed trailer bill language intended to safeguard the due process rights and needs of appellants (including unrepresented parties). The language, which would be refined as part of the trailer bill process and would rely in large part on examples from statutes that apply to developmental services and special education appeals processes, would:

- Provide for appeals to be heard by impartial hearing officers who have no conflict of interest and who are knowledgeable about federal and state laws and regulations applicable to DOR services and the Vocational Rehabilitation program.
- Require DOR to contract with another department, office, or entity for the provision of independent hearing officers.
- Provide that the time and place of the hearing be agreed upon by the appellant and the hearing officer and be reasonably convenient to the appellant and their designated representative, if applicable. This may include conducting all or part of the fair hearing by alternatives other than in person, if agreed upon by the appellant and if the alternative means allows for full participation.
- Provide, among other procedural allowances and requirements, that the hearings will not be conducted according to the technical rules of evidence and those related to witnesses and that all testimony shall be under oath.
- Outline basic procedural and adjudication expectations for hearing officers, including the consideration of presentation of viewpoints about the issues of disagreement, examination of the evidence presented during the hearing, and issuance of a decision including findings and grounds to the parties within 30 days of the completion of the hearing.

- Provide for training of hearing officers to include, but not be limited to, information on protecting the rights of consumers at administrative hearings, emphasizing how to fully develop the appeal record with consumers who are representing themselves or who are represented by another who may also require additional support.
- Permit implementation by emergency regulations until January 1, 2014, after which time implementation should be completed using the regular rule-making process and review by the Office of Administrative Law.

5180 Department of Social Services (DSS)

1. Child Health & Safety Fund

Budget Issue: The budget proposes savings of $501,000 GF from trailer bill language to redirect a portion of revenues collected through a specialized license plate program to fund additional DSS licensing activities related to children's day care programs. These resources would otherwise be used to prevent unintentional injuries to children, such as drowning or poisoning.

AB 3087 (Chapter 1316, Statutes of 1992) established the *Have a Heart, Be a Star, Help Our Kids* specialized license plate program. Revenues from these license plate fees, totaling $4.1 million in 2009-10 and $4.0 million in 2010-11, are deposited into the Child Health & Safety Fund. State law (Welfare & Institutions Code Sections 18285 and 18285.5) specifies how those revenues are distributed. Currently, the first 50 percent supports specific DSS responsibilities for child day care licensing. Of the remaining 50 percent, up to 25 percent supports child abuse prevention and the rest supports programs that address injury prevention. Under the Governor's proposal, those remaining funds would be used for additional day care licensing activities in addition to injury prevention efforts.

Staff Comment & Recommendation: Staff recommends that the Subcommittee approve the Governor's proposal to redirect $501,000 in Child Health & Safety Fund resources as additional support for day care licensing activities. Correspondingly, staff recommends making technical changes to the proposed trailer bill language to specify this dollar amount and to embed the change into the section of the statute that currently addresses other licensing activities. As a result, specified licensing activities would receive 50 percent plus $501,000 in funding before the remaining funds would be distributed to the other specified programs.

2. Moratorium on Group Home Rate-Setting

Budget Issue: Beginning in 2010-11, the budget has included $195.8 million ($51.7 million GF) to fund a court-ordered increase of 32 percent in the monthly payment rates for group homes. The court order also requires the state to annually adjust these rates based on the California Necessities Index. In 2012-13, group home rates are proposed to range from $2,158 to $9,146 per child, per month. In response to this increased cost and other concerns about the use of group home placements in California, as well as the need for DSS to redirect staff toward developing alternative placement options, the 2010-11 budget included a moratorium, with some allowable exceptions, on the licensing of new group homes or approvals of rate or capacity increases for existing providers, as well as additional statutory changes detailed in the Subcommittee's agenda from March 19, 2012. The moratorium was subsequently extended in trailer bill language through the end of 2012. The Governor's budget proposes to make it permanent and to limit future exceptions to higher-level group homes [licensed at a Rate Classification Level (RCL) of 10 or over on a scale of one to 14].

Staff Comment & Recommendation: Staff recommends approving the Administration's proposal to make the moratorium and exceptions framework permanent. Staff also recommends approving the Administration's proposal to narrow the allowable exceptions with respect to RCLs one through nine. However, staff recommends refining this second part of the action to apply the new restrictions temporarily (for the 2012-13 fiscal year) and in a more limited way. Specifically, no exceptions would be allowable with respect to the establishment of new RCL one through nine group homes or approval of capacity increases for existing providers of homes at those levels. As a result, the existing exceptions process would continue to be available to group homes with an RCL of one to nine during 2012-13 for the purposes of seeking a change in rate classification only. The intent is to gain experience with these new restrictions before making a decision about whether to extend or make them permanent. This action would conform to action recently taken by the Assembly on this issue.

8885 Commission on State Mandates

1. Proposed Repeal of Mandate Related to Counsel in Conservatorship Proceedings

Budget Issue: Under existing law, courts are required to appoint the public defender or private counsel to represent the interests of conservatees, proposed conservatees, or individuals alleged to lack legal capacity in specified legal proceedings if: a) they are unable to retain legal counsel and request appointment of counsel, b) the court determines that the appointment of counsel would be helpful or is necessary to protect the individual's interests, or c) the proceeding is about the establishment of a limited conservatorship. The court is then required to set a reasonable sum for compensating counsel and to determine whether the person can pay some or all of that amount (including payment out of the proceeds of community property at issue in the proceeding, if applicable). When the person lacks the ability to pay counsel, the county is required to do so.

The Administration proposes trailer bill language to repeal the statutes that create these requirements, which it indicates include mandates that have been suspended since 2009. According to the Administration, these requirements are now standard operating procedures, and the mandate for local jurisdictions to meet them is no longer necessary. If the mandate is not suspended or repealed, the Department of Finance indicates that the state would need to pay $349,000 GF in prior year claims costs. Advocates and representatives of the courts have raised concerns about the proposal to repeal these laws because they indicate that courts have long been (and are still) guided by the statutory framework that establishes the grounds and procedures for appointing counsel. This issue was discussed during the Subcommittee's March 19th hearing.

Background on Conservatorships and Limited Conservatorships: A conservatorship can be established by California courts when a judge appoints a responsible person or organization (called the "conservator") to make decisions for another adult (called the "conservatee") who is not able to care for him or herself and/or to manage his or her own finances. Conservatorships are most commonly established based on the laws of the California Probate Code, including those that are the subject of this proposal. General conservatorships are frequently established for elderly individuals, but can also be established for younger adults who have serious impairments. Limited conservatorships can be utilized when adults with developmental disabilities do not need the comprehensive assistance that is offered by a general conservatorship, but do need assistance in some decision-making. [Another kind of conservatorship, commonly known as a Lanterman-Petris-Short (LPS) conservatorship can be used for adults with serious mental disorders who are "gravely disabled" and unable to provide for their food, clothing, or shelter.]

Conservators of a person are required to arrange for the conservatee's care and protection, including making decisions about where the conservatee will live and receive meals, health care, etc. Conservators of an estate are required to manage the conservatee's finances, including controlling their assets, collecting income, paying bills, and investing money.

Staff Comment & Recommendation: Given the concerns raised by stakeholders regarding the reliance of courts and advocates on this statutory framework and the significance of the individual rights at issue, staff recommends rejecting the proposed trailer bill language to repeal these sections of statute.

DISCUSSION AGENDA

5180 Department of Social Services (DSS)

1. Los Angeles Eligibility Automated Determination, Evaluation & Reporting (LEADER) Replacement System (LRS)

Budget Issue: LEADER is one of three existing consortia systems that comprise the Statewide Automated Welfare System (SAWS). SAWS automates the eligibility, benefit, case management, and reporting processes for a variety of health and human services programs operated by the counties, including the CalWORKs welfare-to-work program, Food Stamps, Foster Care, Medi-Cal, Refugee Assistance, and County Medical Services. The LEADER system serves Los Angeles (LA) County, while a consortium called C-IV serves 39 additional counties and another called Cal-WIN serves the remaining 18 (though each system houses information for roughly one-third of the statewide caseload). The total 2011-12 maintenance & operations (M&O) budget for SAWS is $178 million ($91 million GF/TANF). The 2011-12 M&O costs for LEADER include $31 million ($15 million GF/TANF).

In 2011, OSI estimated a total cost of $370.2 million over four years ($196.1 million GF/TANF, $147.3 million federal funds and $26.8 million county funds) for development and implementation of a new system to replace LEADER (LRS). Prior to that time, around $6 million ($2 million GF) in planning funds had been spent on the project. As a part of its May Revision in 2011-12, the Administration proposed suspending LRS development. At the time, the Administration also reported that the federal government had indicated it would not approve funding for the project until it received, reviewed, and approved of the state's long-term plan for its overall eligibility system. The final budget, however, continued $31.7 ($12 million GF) for LRS planning and development work in 2011-12. Trailer bill language (Chapter 13, Statutes of 2011) also directed OSI to migrate the 39 counties currently in the C-IV consortium to the new LRS. As a result, LRS would replace both LEADER and C-IV, and the state would have a two-consortia SAWS system.

The Governor's January budget for 2012-13 includes $35.3 million for LRS, but the Department notes that final funding will be subject to federal approval of the project and applicable federal financial participation rates and cost allocation formulas.

The Need to Replace LEADER: LA County entered into an agreement for Unisys to develop LEADER in 1995 and completed countywide implementation of the system in 2001. The most recent contract extends through April 2015. According to OSI and LA County, LEADER technology is outdated and cumbersome (e.g., it uses outdated COBOL language with 9.5 million lines of code). In addition, LEADER relies on proprietary hardware and software components created by its vendor. The federal government has expressed concerns about the state and county's resulting non-competitive use of that same vendor; and OSI has indicated that no other qualified vendors have been willing to enter a bid to operate the LEADER system. The Administration indicates that LRS would streamline LA's business practices, eliminate duplicative data entry, and minimize errors. The Legislature first appropriated funding to support the planning process for a new system to replace LEADER in 2005-06. The project has since been delayed several times.

2009 Trailer Bill Language: The 2009 budget included trailer bill language (in Chapter 7, Statutes of 2009) that directed the Departments of Health Care Services and Social Services to develop a plan to streamline the eligibility determination process for health and human services programs. The trailer bill also established a goal of minimizing the number of information systems performing eligibility functions, including a required analysis of the costs, benefits, and risks of moving to a single statewide system. After initial efforts to implement this language, the Schwarzenegger Administration suspended its work to create the required plan. And as indicated above, the direction to consolidate to a two-consortia system was enacted later (following upon the completion of a consolidation from four to three systems in 2010). When the planned migration of C-IV was enacted, however, these older statutes regarding the need for a plan to streamline eligibility processes were not amended or repealed.

LAO Report: In a February report entitled "Consolidating California's Statewide Automated Welfare Systems," the LAO notes that the 2012 trailer bill language establishing the requirement to migrate C-IV into the new LRS system does not require the Administration to develop a feasibility study report (FSR), cost-benefit analysis, or other plan, but rather directs the Administration to oversee the migration "under the LRS contract." As a result, the Administration has indicated its intent to include the migration work as a part of its contract with the chosen LRS vendor (Accenture LLP). The LAO recommends that the Legislature instead reconsider alternative procurement processes for the C-IV migration, including reopening the LRS procurement, planning the migration as a separate project, or breaking the migration into multiple contracts.

The LAO also recommends consideration of a "cost reasonableness assessment" or study conducted by contracted experts who collect data on the costs of other public and private sector efforts and extrapolate to determine whether the proposed costs for a project are within the realm of reasonableness. The Franchise Tax Board recently used a cost-reasonableness assessment to validate the costs of its Enterprise Data to Revenue project. That project has an estimated total cost of $520 million. A six-week cost reasonableness assessment (at a cost of $75,000) indicated that the vendor's proposed costs were within the range of reasonableness.

Finally, the LAO recommends that the Legislature improve its oversight of LRS development and the new migration project by requiring more frequent reporting from the Administration on the project's progress (in addition to the existing requirement for an annual report on the implementation of SAWS more generally).

Staff Comment & Recommendation: Staff recommends that the Subcommittee hold open the overall budget for LRS and the C-IV migration, and:

1) Adopt the requirement for a cost-reasonableness assessment to be conducted with respect to whether the costs proposed by the vendor for migrating C-IV into the new LRS system are within range of reasonableness based on the proposed project requirements and risks, among other factors.

2) Adopt supplemental reporting language directing the Administration to conduct regularly scheduled briefings with legislative staff, and to offer updates during budget Subcommittee hearings, as efforts to develop LRS and migrate C-IV continue.

3) Repeal outdated trailer bill language regarding eligibility system streamlining from 2009 (in Chapter 7 of that year's statutes, as described above).

Questions for DSS & OSI:

1) What is the latest anticipated timeline for developing and implementing LRS?

2) What has been done to date with respect to planning for the migration of C-IV into LRS? What can you say about the anticipated timeline and costs for that migration?

3) What has the state heard from the federal government regarding its approval of funding for LRS and for the migration of C-IV?

Questions for LAO:

1) Please summarize your recommendations, including the recommendation to conduct a cost reasonableness assessment.

5175 Department of Child Support Services (DCSS)

Department Overview

The mission of the California Child Support Program is to enhance the well-being of children and the self-sufficiency of families by providing professional services to locate parents, establish paternity, and establish and enforce orders for financial and medical support. The Child Support Program is committed to ensuring that California's children are given every opportunity to obtain financial and medical support from their parents in a fair and consistent manner throughout the state. The Child Support Program is committed to providing the highest quality services and collection activities in the most efficient and effective manner.

The Department of Child Support Services is the single state agency designated to administer the federal Title IV-D state plan. The Department is responsible for providing statewide leadership to ensure that all functions necessary to establish, collect, and distribute child support in California, including securing child and spousal support, medical support and determining paternity, are effectively and efficiently implemented. Eligibility for California's funding under the Temporary Assistance to Needy Families (TANF) Block Grant is contingent upon continuously providing these federally required child support services. Furthermore, the Child Support Program operates using clearly delineated federal performance measures, with minimum standards prescribing acceptable performance levels necessary for receipt of federal incentive funding. The objective of the Child Support Program is to provide an effective system for encouraging and, when necessary, enforcing parental responsibilities by establishing paternity for children, establishing court orders for financial and medical support, and enforcing those orders.

Child Support Administration: The Child Support Administration program is funded from federal and state funds. The Child Support Administration expenditures are comprised of local staff salaries, local staff benefits, and operating expenses and equipment. The federal government funds 66 percent and the state funds 34 percent of the Child Support Program costs. In addition, the Child Support Program earns federal incentive funds based on the state's performance in five federal performance measures.

Child Support Automation: Federal law mandates that each state create a single statewide child support automation system that meets federal certification. There are two components of the statewide system. The first is the Child Support Enforcement (CSE) system and the second is the State Disbursement Unit (SDU). The CSE component contains tools to manage the accounts of child support recipients and to locate and intercept assets from non-custodial parents who are delinquent in their child support payments. In addition, it funds the local electronic data processing maintenance and operation costs. The SDU provides services to collect child support payments from non-custodial parents and to disburse these payments to custodial parties.

Department of Child Support Services 2012-13 Budget Overview

Fund Source	2010-11	2011-12	2012-13
General Fund	$308.34	$320.41	$313.23
Federal Trust Fund	$498.10	492.96	$459.83
Child Support Collections Recovery Fund	$206.96	$217.12	$225.62
Reimbursements	$0.12	$0.17	$0.12
Total Expenditures	**$1,013.53**	**$1,030.67**	**$998.79**
Positions	525.6	573.5	573.5

1. Revenue Stabilization

Background: In the 2009-10 Governor's Budget, the administration proposed an augmentation of $18.7 million ($6.4 million GF) for Local Child Support Agencies (LCSAs) to maintain revenue generating caseworker staffing levels in order to stabilize child support collections. The Legislature approved the request for this funding in the 2009 Budget Act and directed that 100 percent of the new funds be used to maintain revenue generating caseworker-staffing levels. For Fiscal Year 2009-10, the initial augmentation year, the General Fund share of the allocation was $6.4 million dollars; the return to the General Fund was $8.9 million dollars, a return on investment of $2.5 million dollars.

Collection data for Fiscal Year 2010-11 indicates the revenue stabilization funds continue to have a positive effect of maintaining statewide child support collections levels. In Fiscal Year 2010-11, LCSAs were able to retain 239 of the originally retained 245 revenue generating caseworker staff with the revenue stabilization funding. This number was calculated based on a 2.4 percent reduction to actual total caseworker staffing in 2010-11. Child support collections would have declined by this amount had staff not been retained. This would have been 4.1 percent less than the 2009-10 collections for this same time period. For the $6.4 million General Fund investment, the Department states that $9 million in General Fund assistance collections were retained in 2010-11, yielding a net return of $2.6 million General Fund to the state.

According to the DCSS, the LCSAs continue to routinely incorporate these early intervention activities in their work on cases. The Department believes the early intervention activities contribute to the stabilization of the collection levels given the economy. LCSAs will continue to use early intervention activities in their casework as well as other individual efforts to improve collections.

Questions for the Administration:

1) Please describe the Revenue Stabilization Funding and the impact that the General Fund contribution has had on collections to date.

2) Please describe what, if any, impact utilizing early intervention strategies which were a condition of receiving this funding, have had on the child support collection process.

Staff Recommendation: Item included for informational purposes.

2. Child Support Automation

Background: Beginning in 2008, the California Child Support Automation System was fully implemented. Total cost of the application was approximately $1.5 billion dollars and took nearly eight years to implement. Shortly thereafter, the application received its federal certification as the statewide automation system. The Department of Child Support Services is responsible for maintaining the functionality of the automation system and also responsible of ensuring the LCSAs have access to the system.

The 2012-13 Budget includes a request for $99.34 million to support the Department's Child Support Automation System. Of that, $14.97 million will be directed towards the State Disbursement Unit, the remaining $84.37 million will be directed towards the other component of the Automation System, the Child Support Enforcement System. This request reflects a reduction of $4.5 million dollars ($1.5 million in General Fund) in the 2012-13 Budget when compared to the 2011-12 Budget. The Department has completed the procurement of a new Service Provider contract for the State Disbursement Unit (SDU), which has lowered contract rates below the existing rate.

The Department, in conjunction with the California Technology Agency, is required to annually submit a report that highlights the following components:

- Breakdown of funding elements for past, current, and future years.
- Description of active functionalities and how they support efforts in child support collections.
- Review of current considerations and their relationship to federal law and policy.
- Description on future, planned changes to the Automation System and how they support greater collections for the state, receipt of payment for the family, and enhance work activities.

Questions for the Administration:

1) Please provide us with a brief update on the Automation System project to date.

Staff Recommendation: Item included for informational purposes.

3. Suspension of County Share

Governor's Budget Request: The Governor's 2012-13 Budget includes a suspension of Child Support collections in 2012-13. The suspension is accompanied by trailer bill language. The county share of collections is estimated to be $34.5 million in 2012-13. Under this proposal, the entire non-federal portion of child support collections will benefit the General Fund on a one-time basis, much like the proposal adopted in 2011-12.

Background: Child support payments from non-custodial parents are collected and distributed to either families or governments. Collections made on behalf of families who have not received public assistance are distributed to custodial parents. Collections made on behalf of families who have received public assistance are retained by the government to repay past welfare costs. These assistance collections are shared by the federal, state, and county governments.

The 2011–12 budget package suspended the county share of collections for one year, which results in an increase in General Fund revenue of about $24 million in the budget year. Typically, when Local Child Support Agencies collect child support on behalf of families receiving CalWORKs, the county retains a portion (2.5 percent) of the collections. Based on the most recent DCSS survey of counties, most counties transfer their share of collections to the local welfare agency to offset the county share of welfare costs. Los Angeles County and San Diego County reinvest the collections into the local child support program, and other counties transfer the funds to their county general funds.

Questions for the Administration:

1) Please explain the impact that this proposal will have on counties and the various county-based programs.

Staff Recommendation: Hold Open.

4. Health Insurance Incentives

Governor's Budget Request: The Administration, through trailer bill language, proposes to eliminate the requirement to provide an incentive to LCSAs of $50 per case for obtaining third-party health coverage/insurance for cases that have never had - and/or have lapsed - coverage/insurance rather than pursuing an additional time-limited extension.

Background: Pursuant to Welfare and Institutions Code Section 14124.93, DCSS is to provide an incentive to LCSAs for obtaining third-party health coverage/insurance for cases that have never had - and/or have lapsed - coverage/insurance. These incentives have been suspended since fiscal year 2002-03; the suspension ends after 2011-12. This Section has been amended three times over the past ten years to suspend the health insurance incentive payments to the LCSAs due to budget constraints.

Staff Comment: These incentives, when not suspended, are paid for with 100 percent General Fund (GF). There are no federal matching funds available. The budgeted amount for 2001-02 for these incentives was $3.0 million GF. Current data is not readily available on the costs as the form that LCSAs submitted the data on was discontinued in 2002-03.

Staff Recommendation: Reject proposed trailer bill language and suspend health insurance incentives for three more years.

5. Performance Incentives

Governor's Budget Request: The Administration proposes, through trailer bill language, to eliminate statute which states that the top ten performing LCSAs, as defined per Family Code Section 17704, are to receive an incentive equal to five percent of the state's share of their LCSA's assistance recoupment. Additionally, the request, through trailer bill language, asks that the department provide no further incentive funds to be transferred to the LCSAs.

Background: As noted above, pursuant to Family Code Section 17706, effective with fiscal year 2000-01, the top ten performing LCSAs, as defined per Family Code Section 17704, are to receive an incentive equal to five percent of the state's share of their LCSA's assistance recoupment. These incentives have been suspended since 2002-03; the suspension ends after 2011-12.

Staff Comment: Family Code Section 17706 has been amended three times over the past ten years to suspend the top ten performance incentive payments to the LCSAs due to budget constraints.

Staff Recommendation: Reject trailer bill language and suspend performance incentives for three more years.

6. Investment Authority

Governor's Budget Request: The administration has requested an amendment to Family Code (FC) section 17311.5 in order to provide specific investment authority to DCSS. The trailer bill language accompanying this request provides investment authority to the department. DCSS holds funds for the child support payments it has disbursed to the participants of the child support program until such time as they are negotiated. The non-negotiated child support payments are held in an Investment Sweep Account (ISA) outside the state treasury.

Background: Funds in the ISA are invested each night in funds that comply with Section 16430 of the Government Code. Undisbursed child support funds are held in the Child Support Payment Trust Fund and are invested by the state treasury in the Surplus Money Investment Fund. The administration also states that statutory change will also resolve a contract issue with the vendor responsible for collecting and disbursing child support collections. Additionally, investing collections funds would maximize the utilization of these funds. In an effort to provide more clarification regarding this issue, DCSS is seeking explicit legislative authority. The ISA account average daily balance is over $30 million. Absent investment, the account will require collateralization, which the administration asserts will create a budget pressure on the state.

According to the Department of Finance, absent investment authority, the account would require collateralization. Utilizing collateralization creates additional budget pressure by increasing future contracting costs. Increased contracting costs would result given that a vendor would need to provide collateral to the over $30 million (average daily balance) residing in the account—which could lead to the need for increased budgeted resources by DCSS.

Staff Recommendation: Adopt proposed trailer bill language for 2012-13 only, with review after the one year regarding its extension or permanent nature. In addition, staff recommends that the Subcommittee direct the administration to begin a discussion with Banking and Finance policy staff regarding this issue to obtain counsel and advice on the propriety of the proposal in the budget and whether such a change should be sought permanently as part of a policy bill.